

NSA review
completed

NFIB-M-40
6 June 1978

MEMORANDUM FOR NATIONAL FOREIGN INTELLIGENCE BOARD

25X1 SUBJECT: Minutes of the Fortieth NFIB Meeting,
6 June 1978, [redacted] 1400-1500 Hours

ATTENDEES

25X1 Mr. Frank C. Carlucci, Acting Chairman

[redacted] Deputy to the DCI for Resource Management

25X1 Dr. Robert Bowie, Deputy to the DCI for National Intelligence

[redacted] Deputy to the

DCI for Collection Tasking

Mr. William G. Bowdler, Director, Intelligence and Research,
Department of State

Dr. Gerald P. Dinneen, Assistant Secretary of Defense
(Communications, Command, Control and Intelligence), OSD

✓ Lieutenant General Harold R. Aaron, U.S. Army, Acting for Director,
Defense Intelligence Agency

Vice Admiral B. R. Inman, U.S. Navy, Director, National
Security Agency

Mr. Jimmie Hill, Acting for Under Secretary of the Air Force

Mr. J. Foster Collins, Department of Treasury Representative
to NFIB

Mr. Walter McDonald, Department of Energy Representative to NFIB

Mr. J. Michael Kelly, Department of Justice Representative to
NFIB

Mr. William Cregar, Federal Bureau of Investigation Representative
to NFIB

Brigadier General James A. Teal, Jr., USA, Acting for Assistant
Chief of Staff, Intelligence, Department of the Army

Rear Admiral Donald Harvey, U.S. Navy, Director of Naval
Intelligence, Department of the Navy

Colonel Jack Morris, USAF, Acting for Assistant Chief of Staff,
Intelligence, United States Air Force

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Mr. David Laux, Acting for Department of Commerce Representative
to NFIB
*Mr. William Bader, Acting for Deputy Under Secretary of Defense
for Policy, OSD
*Mr. Samuel Hoskinson, Representative of the Assistant to the
President for National Security Affairs
*Mr. John F. Blake, Deputy to the DCI for Community Support

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*Part of Meeting

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SUMMARY OF ACTIONS COMPLETED

1. Nomination of [REDACTED]
for the National Intelligence Distinguished Service Medal
(NFIB-2.8/36)

25X1

On 15 May 1978, the Chairman, with the concurrence of NFIB, approved the subject nomination.

2. Appointment of [REDACTED]
(NFIB-14.3/8) (S)

25X1

On 15 May 1978, the Chairman, with the concurrence of NFIB, approved the subject nomination.

3. Release, on Loan, [REDACTED]
(Memorandum for Holders-1 of NFIB-29.2/22) (S)

25X1

On 15 May 1978, the Chairman, with the concurrence of NFIB, approved the subject release.

4. Release of [REDACTED]
(NFIB-29.2/23) (S)

25X1

On 15 May 1978, the Chairman, with the concurrence of NFIB, approved the subject release.

5. [REDACTED]
(NFIB-10.8/91)

25X1

On 15 May 1978, the Chairman, with the concurrence of NFIB, approved the subject conference.

6. Nomination of [REDACTED] for the National
Intelligence Medal of Achievement (NFIB-2.8/35)

25X1

On 19 May 1978, the Chairman, with the concurrence of NFIB, approved the subject nomination.

7. Nomination of [REDACTED] for the National Intelligence
Medal of Achievement (NFIB-2.8/34)

25X1

On 19 May 1978, the Chairman, with the concurrence of NFIB, approved the subject nomination.

8. Nomination of [REDACTED] for the National Intelligence
Distinguished Service Medal (NFIB-2.8/37)

25X1

On 22 May 1978, the Chairman, with the concurrence of NFIB, approved the subject nomination.

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SUMMARY OF ACTIONS COMPLETED (Contd)

25X1 9. Nomination of [] for the National Intelligence Distinguished Service Medal (NFIB-2.8/33)

On 15 May, the Chairman, with the concurrence of NFIB, approved the subject nomination.

25X1 10. Release, on Loan, of [] (NFIB-12./56(S))

On 26 May 1978, the Vice Chairman, with the concurrence of NFIB, approved the subject.

11. []

(NFIB-21.2/19)

On 26 May 1978, the Vice Chairman, with the concurrence of NFIB, approved the subject.

12. Intelligence Definitions (NFIB-24.1/17)

On 22 May 1978, the Chairman, with the concurrence of NFIB, approved the subject as amended.

13. []

(NFIB-81.1/6, 11 May 1978)

On 30 May 1978, the Chairman, with the concurrence of NFIB, approved the subject.

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Summary of Decisions:

25X1 The Acting Chairman, with the concurrence of the Board, approved [] as amended.

The Acting Chairman, with the concurrence of the Board, approved DCID 1/16, "Security of Foreign Intelligence in Automated Data Processing Systems and Networks"; approved DCID 1/19, "Uniform Procedures for Administrative Handling and Accountability of Sensitive Compartmented Information," as amended; approved DCID 1/20, "Security Policy Concerning Travel and Assignment of Personnel with Access to Sensitive Compartmented Information."

With reference to DCID 1/16, the Acting Chairman directed that a letter be prepared for the DCI to send to the Secretary of Defense on the question of making resources available to ensure adequate security clearances within the military services.

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2. Security Issues

Mr. Robert Gambino, Chairman of the DCI Security Committee, presented three DCID's for NFIB consideration.

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a. DCID 1/16, "Security of Foreign Intelligence in Automated Data Processing Systems and Networks"

Mr. Gambino summed up the divergent views on DCID 1/16, and General Aaron stated the case for the military services, who would require an estimated \$2 million to conduct background investigations of some 5,000 people to comply with the investigative standards as set forth in DCID 1/14.

The Board noted that mismatch in security standards could have profound implications for common data bases in the intelligence community. One problem was that the budget for the Defense Investigative Service fell outside the NFIP and budget.

There was a consensus that no existing software system could permit the intelligence community to certify all ADP systems as secure. It was noted that access to an ADP system allowed access to volumes of classified information and created the potential for modification of the data base.

25X1 [] noted that the added expense for conducting adequate background investigations in the Department of Defense seemed marginal when compared to the stakes involved in the ADP system and the information carried therein.

25X1 In response to a question by William Bowdler about the dimensions of the problem, Robert Gambino cited estimated costs by the military services to comply with DCID 1/14. He also noted that some [] was being spent annually to improve the security of software systems.

The Board noted that more background investigations could lead to an increase in the number of billets for special compartmented information. There was a consensus that access would be on a need-to-know basis, and that all those cleared would not necessarily be briefed.

The Acting Chairman, with the concurrence of the Board, approved DCID 1/16 as presented and directed that a letter be prepared for the DCI to send to the Secretary of Defense on the question of making resources available to conduct adequate background investigations for security clearances within the military services.

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b. DCID 1/19, "Uniform Procedures for Administrative Handling and Accountability of Sensitive Compartmented Information"

Mr. Gambino noted that all members of the Board concurred in the proposed DCID with the exception of NSA.

-Admiral Inman noted that NSA operated almost exclusively within a special compartmented information environment. An amendment to the proposed DCID which would not impose new procedures on NSA was circulated and accepted.

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The Acting Chairman, with the concurrence of the Board, approved the DCID, as amended.

c. DCID 1/20, "Security Policy Concerning Travel and Assignment of Personnel with Access to Sensitive Compartmented Information"

Mr. Gambino noted that the Security Committee had received no reports of hostile actions directed against travellers because of their access to special compartmented information. He noted that there was a consensus among legal counsels that it would be difficult to enforce restrictions on travel. He also cited one opinion that the DCI might be required to make a finding about specific areas and specific times and that such a restriction might be upheld in court. He noted a list of countries currently promulgated and reviewed by the Security Committee.

Admiral Inman pointed up an apparent inconsistency between the proposed relaxation of controls on travel at a time when the concern for increased security seemed to be growing. He said that NSA was bound by administrative agreements to maintain stricter controls over travel than those proposed in the DCID.

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The Board agreed that the new DCID would constitute minimum standards throughout the community, but that no individual department or agency would be proscribed from applying stricter criteria or from imposing penalties based on their own standards.

There was a consensus that the Security Committee would be kept informed of travel restrictions which exceeded the agreed minimum standards and that relevant experiences of travellers with access to special compartmented information would be forwarded to the Security Committee.

Mr. Michael Kelly, representative from the Department of Justice, noted that he wished to reserve judgment on potential legal implications of the proposed DCID's, but did not interpose an objection to their approval.

The Acting Chairman, with the concurrence of the Board, approved the subject DCID.

[Redacted Signature]

Walter Elder
Executive Secretary

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